

21 January 1952

MEMORANDUM FOR: SPECIAL CONTRACTING OFFICER
SUBJECT: Miscellaneous Commitments

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I - PROBLEM

Many contractual or other types of commitments are incurred in the United States by CIA operations officers. In some cases, CIA employees make these commitments personally in the development or implementation

The question is which of these many types of commitments should be formalized by a contract or a written document setting forth the commitment and processed thru the Special Contracting Officer. Corollary questions are:

1. When is formal concurrence of Procurement Services required?
2. When can the Division Chief undertake full responsibility for the commitment without any other Agency coordination?
3. Should such determination be established in writing, or is approval of the expense voucher adequate authorization?

At the present, the problem is most acute with regard to FY/OPC operations. There appears to be adequate control over the procurement of things and hitting personal services in the Agency. However, the procurement of unwitting personal services thru some cut-out, and the procurement of literary products, art work, photographs, editorial services seems to be uncontrolled at the present time.

II - SUGGESTIONS

Solution must be practical. Procedures must be realistic and simple. To set up any standards and procedures, the problem must be studied and facts secured. It is my guess that the following describes the current need.

1. Subsidized or proprietary activities need services or materials in the normal conduct of their affairs as contemplated in the project. If so, the Administrative Plan should provide the authority to do so and establish any necessary limitations or stipulations.

2. PY/OPC desires photographs, art work, translation service, editorial services and reprint rights which are beyond the capabilities of its staff to supply or secure directly. Therefore, it is arranged for

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To accommodate this type of commitment, I propose that the Division be required to reduce every such authorization and/or the terms of commitments made, or to be made to writing for review by the Special Contracting Officer and for filing with the Finance Division. Such a document should:

1. Clearly describe services or articles to be obtained.
2. Set forth the actual project (possibly [REDACTED] for which the service is being secured regardless of what project entity will serve as the cover for the procurement.
3. Should indicate what entity or individual will secure the desired services, will requisition the funds, and will account for the expenditures made.

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I further think that the Division should designate specific persons to approve such statements of interest or commitment. Lastly, I think we should require that continuing commitments, or technical commitments involving royalties, copywrite, etc., receive prior coordination with the Special Contracting Officer and General Counsel.

I suggest that you review the attached file, discuss with General Counsel, Finance Division and with PY and come up with a practical solution.

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[REDACTED] Chief
Administrative Support - Special

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EDE:mes

cc - Finance Division ([REDACTED])

Enclosures -

1. Memo dtd 9 Jan 51 to Special Contracting Officer thru Acting Chief, Finance Division, from [REDACTED] translating and editing services, and miscellaneous other services.
2. Memo for FD/SSS dtd 8 Aug 51 from [REDACTED] Psychological Division; SUBJECT - Accounting re: [REDACTED]
3. Acctg for \$800.000
4. Memo dtd 2 Nov. 51., from PY/OPC; Subject: Project [REDACTED]
5. Acctg. for \$200.00 from PY/OPC for [REDACTED] dtd 6 December 51.

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